USMC FY 2004 Fiscal Director's Senior FM Seminar, Kansas City, KS

Some Fiscal Law Issues

Julius Rothlein

Associate Counsel for the Commandant

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Know Your Procurement/Fiscal Counsel

- Mr. Peter Murphy – HQMC (Code CL)
- Mr. Bryan Wood - HQMC (Code CL)
- Mr. Julius Rothlein – HQMC (Code CL)

- Ms. Penny Clark – Quantico (MCCDC)
- Mr. Edward Ramras - Quantico
- Ms. Laurie Hurley - Quantico

Know Your Procurement/Fiscal Counsel

- Mr. Richard Hine – EACO, CLNC
- Mr. Neil Stroud – EACO
- MAJ Scott Martin - EACO
- Mr. Ralph Pearcy – WACO, CPEN
- Ms. Theresa Young - WACO
- Ms. Pennie Leachman – WACO
- Mr. John Stimson – COMCABWEST, MIRMAR
- Mr. Rich Huber -- COMCABWEST, MIRMAR

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- Mr. Ralph Littlefield – PACO, Okinawa
- Ms. Carolyn Arnold – PACO
- Mr. Steven Forjohn - PACO
- Mr. Orval Nangle, MARFORRES, N.O.
- Mr. David Rowland, MCLB-Albany
- Mr. Johnny Litman, MCLB-Albany
- Mr. Cody Wall, MCLB-Barstow

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- Mr. John Bennett – SYSCOM, Quantico
- Mr. Sam Galbo - SYSCOM
- MAJ Joe Perlak – SYSCOM
- Mr. David Ingold - SYSCOM
- Mr. Jim McClosky – SYSCOM
- Mr. Zack Stewart – SYSCOM
- MAJ William Torrico – SYSCOM, June 04

Know Your Procurement NAF Counsel

- Ms. Mary Hostetter, MR, Quantico
- Mr. Jack Cohn, MCCS, CLNC/EACO
- Mr. Tim Leachman, MCCS, CPEN/WACO
- Ms. Carolyn Arnold, MCCS, PACO
- Mr. Steven Forjohn, MCCS, PACO

Aug 02 Question: Are We Fiscally Out of Control ?

- What are we using our O&MMC funds to acquire
- How are we obligating our funds
- Poll: How are we doing? Do we know where our funding is going? How much is being spent via purchase cards, MIPRs, contracts? Are we satisfied with what we are receiving?

Purchase Cards

- What are we doing to make sure there are no inappropriate uses or fraud with the purchase cards?

- Is fraud just the price of doing business?

MIPRs and the Economy Act

- Contrary to popular belief the Economy Act (31 USC 1535) is your friend
- FAR 17.5, DFARS 217.5 permits the purchasing of supplies and services from another Agency where you can demonstrate that the supplies or services cannot be obtained as conveniently or economically by contracting directly with a private source.

MIPRs and the Economy Act

- Are your Contracting Officers executing an Economy Act D&F before you MIPR funds to another Agency to perform your requirement?
- Is this really a requirement?
- GAO says so! Letters to Air Force and Army concerning Valenzuela Engineering, Inc. B-277979, Dec 7, 1997, (Jan 26, 1998)

MIPRs and the Economy Act

- Recent USMC experience

- GAO Bid Protest: Vertol Systems Company, Inc. B-293644.5

Suggested Approach for Handling our Requirements

- Requirement and funds sent to Contracting
  - Market research conducted
  - Possibility of off-loading considered
  - SOW drafted to ensure that fulfill our needs
  - If off-loading is appropriate, Economy Act compliance occurs (D&F prepared)
  - Compliance with “bona fide needs” rule (no banking of expiring funds)
  - No payment of “additional fees”

Controlling Conference Costs

- MCO 7300.22A (11 Feb 04)
- Objective-conference costs are minimized, attendee travel expenses stay within normal per diem rates
- Approval Authority: Less $100,000, less 125 attendees -- Commander/CG MARFORPAC, MARFORLANT, MARFORRES, LOGCOM,MARFOREUR,MARFORSOUTH, MARFORNORTH, MCRD PI, MCRD SD, MCRC,TECOM,MAGTFTC/MCAGCC and HQMC Staff Principals

Controlling Conference Costs

- May further delegate approval authority in writing to subordinate MSCs and activities
- Approval Authority: Over $100,000 and any conference with over 125 attendees regardless of costs --
  - ACMC
  - P&R Dept is Action Official for ACMC
  - Encl 2 Sample request Format
  - Encl 3 Cost Element Worksheet

Controlling Conference Costs

- MCO 7300.22A also addresses “light refreshments” and “conference fees”
- GAO Decision B-288266 (27 Jan 03) Use of Appropriated funds to Purchase Light Refreshments – generally NO!
- ASN(FM&C) memo (18 Apr 03) – prohibits a DON activity from collecting attendee conference fees to offset the cost of the conference, or to reimburse or supplement the appropriation from which the conference is funded unless specifically authorized by statute.

Coins as an Award

- NEW: MCO 7042.6C (25 Mar 04), Award of Trophies and Similar Devices in Recognition of Significant Accomplishments
- Without this MCO generally there is no authority to use appropriated funds to purchase coins
  - Exceptions for ORF and “OWN” funds

Coins as an Award

- New authority is limited!
- Must be authorized by General Officer in Command, must be a part of a recognized award program, may not be used just as a morale booster, motivational tool, or mementos for VIPs. Limits what may be inscribed on coin. Comply with bona fide needs rule.
- Army has just issued a regulation similar to MCO 7042.6C